

JIM BANKS
THIRD DISTRICT, INDIANA



COMMITTEE ON
ARMED SERVICES
COMMITTEE ON
EDUCATION AND LABOR
COMMITTEE ON
VETERANS' AFFAIRS

Congress of the United States
House of Representatives
Washington, DC 20515-1403

March 11, 2022

The Honorable Janet Yellen
Secretary of the Treasury
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Secretary Yellen:

As the world descends into yet another global conflict, it is imperative that the United States remain free from foreign manipulation.

The Russian government has sought to expand its political and cultural influence in Europe. To that end, they have gone to great lengths to increase Europe's reliance on Russian oil and gas. In 2014, NATO Secretary-General Anders Fogh Rasmussen stated:

"I have met allies who can report that Russia, as part of their sophisticated information and disinformation operations, engaged actively with so-called non-governmental organizations, environmental organizations working against shale gas, to maintain European dependence on imported Russian gas."¹

Dependence on Russian gas has made it harder for European countries to counter Russia's invasion of Ukraine. But it's not just Europe. In 2021, the US purchased a record amount of Russian oil, and Russia has directed its influence effort at America too.²

Vladimir Putin has acknowledged that America's energy industry poses a "great threat" to the Russian economy.³ According to former Secretary of State Hillary Clinton, Russian-backed

¹ Anders Fogh Rasmussen, NATO Secretary General, Speech at Chatham House, London, United Kingdom (June 19, 2014), available at https://www.nato.int/cps/en/natolive/opinions_111132.htm.

² U.S. ENERGY INFORMATION ADMINISTRATION, U.S. IMPORTS FROM RUSSIA OF CRUDE OIL AND PETROLEUM PRODUCTS, https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=MTTIM_NUS-NRS_1&f=M (last visited Mar. 10, 2022).

³ Philip Klein, *Fiona Hill Says that She Heard Putin Describe American Fracking as a 'great threat' to Russia*, WASH. EXAMINER (Nov. 21, 2019), <https://www.washingtonexaminer.com/opinion/fiona-hill-says-that-she-heard-putin-describe-american-fracking-as-a-great-threat-to-russia>.

disinformation campaigns have made their way to America. In 2014 during a private speech she complained of “phony environmental groups” lobbying against fracking.⁴

In 2017, Representatives Lamar Smith and Randy Weber sent a letter to then Secretary of the Treasury Steven Mnuchin outlining the severity of Russia’s foreign influence operation.⁵ In the letter, they explained how Russia has been laundering money through shell corporations in the Bahamas and disseminating the funds to environmental non-profit groups in the United States. Russia’s effort focused on an organization called Sea Change.⁶

According to Sea Change’s tax filing, in 2010 the group received \$23 million, half of its total annual contributions, from a Bahamian shell corporation tied to the Russian government.⁷ Sea Change then passed that money to groups like the Sierra Club and the Center for American Progress who lobbied strongly against fracking and pro-energy policies, to reduce competition with Russian oil and gas.⁸ In 2020, the Center for American Progress donated over \$800,000 exclusively to Democrat politicians and groups⁹ and Sierra Club Independent Action spent \$3.7 million supporting Democrat candidates.¹⁰

Russia also used its state media¹¹ and social media¹² disinformation campaigns to attack America’s energy industry. Russia Today is especially focused on energy policy. According to the Office of the Director of National Intelligence, Russia Today’s coverage “is likely reflective of the Russian Government’s concern about the impact of fracking and US natural gas production on the global energy market and the potential challenges to Gazprom’s profitability.”¹³ In 2021,

⁴ Valerie Richardson, *Leaked Emails Show Hillary Clinton Blaming Russians for Funding ‘phony’ Anti-fracking Groups*, WASH. TIMES (Oct. 10, 2016), <https://www.washingtontimes.com/news/2016/oct/10/clinton-blames-russians-anti-fracking-groups/>.

⁵ Letter from Representatives Lamar Smith and Randy Weber to U.S. Treasury Secretary Steven Mnuchin (June 29, 2017), available at https://legacy-assets.eenews.net/open_files/assets/2017/07/07/document_pm_02.pdf.

⁶ *Id.*

⁷ *Id.* at 5; S. COMM. ON ENVIRONMENT AND PUBLIC WORKS, STAFF REPORT: THE CHAIN OF ENVIRONMENTAL COMMAND: HOW A CLUB OF BILLIONAIRES AND THEIR FOUNDATION CONTROL THE ENVIRONMENTAL MOVEMENT AND OBAMA’S EPA, 113TH CONG. (Comm. Print July 30, 2014).

⁸ Lachlan Markay, *Foreign Firm Funding U.S. Green Groups Tied to State-Owned Russian Oil Company*, FREE BEACON (Jan. 27, 2015), <https://freebeacon.com/issues/foreign-firm-funding-u-s-green-groups-tied-to-state-owned-russian-oil-company/>.

⁹ Open Secrets, *Center for American Progress*, <https://www.opensecrets.org/orgs/center-for-american-progress/summary?id=D000032441> (last visited Mar. 10, 2022).

¹⁰ Open Secrets, *Sierra Club Independent Action*, <https://www.opensecrets.org/outsidespending/detail.php?cmte=C00483693&cycle=2020> (last visited Mar. 10, 2022).

¹¹ Seth Whitehead, *Report: Russia Backed Anti-Fracking Propaganda in Attempt to Undermine U.S. Industry*, ENERGY IN DEPTH (Jan. 9, 2017), <https://www.energyindepth.org/report-russia-backed-anti-fracking-propaganda-attempt-undermine-u-s-industry/>.

¹² Craig Timberg & Tony Room, *These Provocative Images Show Russian Trolls Sought to Inflame Debate over Climate Change, Fracking and Dakota Pipeline*, WASH. POST (Mar. 1, 2018), <https://www.washingtonpost.com/news/the-switch/wp/2018/03/01/congress-russians-trolls-sought-to-inflame-u-s-debate-on-climate-change-fracking-and-dakota-pipeline/>.

¹³ U.S. DIRECTOR OF NATIONAL INTELLIGENCE, BACKGROUND TO “ASSESSING RUSSIAN ACTIVITIES AND INTENTIONS IN RECENT US ELECTIONS”: THE ANALYTIC PROCESS AND CYBER INCIDENT ATTRIBUTION 8 (Jan. 6, 2017), available at https://www.dni.gov/files/documents/ICA_2017_01.pdf.

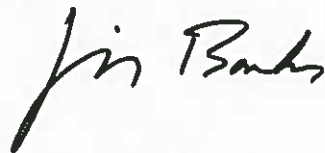
after Biden's first year in office, Gazprom, a Russian state-owned energy company, earned record profits.¹⁴

Eliminating the United States as a global energy producer risks further empowering Putin. According to the U.S. Energy Information Administration, the U.S. produced 11.3 million barrels of crude oil per day in 2020, compared to Russia's 10.50 million. And the U.S. produced 33.5 trillion cubic feet of natural gas in 2020 versus Russia's 22.5 trillion cubic feet of natural gas.

It is imperative that the Treasury Department investigate the claims of Russian interference in American domestic politics. Therefore, we are asking that the Treasury Department engage in the following actions:

- Conduct a full investigation into donations made to Sea Change with an increased emphasis on the Lobbying Disclosure Act of 1995, 2 U.S.C § 1601.
- Conduct a full investigation into the Sierra Club, League of Conservation Voters Education Fund, National Resources Defense Council, Energy Foundation, and Center for American Progress.
- If Russian manipulation is confirmed in domestic anti-energy funding, we call on the Department of the Treasury to immediately partner with the Department of Justice in establishing a select committee to investigate illicit Russian influence operations.

Sincerely,



JIM BANKS
Chairman, Republican Study Committee



BILL JOHNSON
Member of Congress



TED BUDD
Member of Congress

¹⁴ Vladimir Soldatkin et al., *Rising Prices Fuel Record Profit at Russia's Gazprom Neft*, REUTERS (Feb. 18, 2022), <https://www.reuters.com/business/energy/russias-gazprom-neft-reports-record-annual-profit-67-bln-2021-2022-02-17/>.

